

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

ARONSON-CAMPBELL)	
INDUSTRIAL SUPPLY, INC.,)	DOCKET NO. UT-030168
)	
Complainant,)	ORDER NO. 03
)	
v.)	ORDER APPROVING AND
)	ADOPTING SETTLEMENT
MCI WORLDCOM)	AGREEMENT; DISMISSING
COMMUNICATIONS, INC.,)	COMPLAINT
)	
Respondent.)	
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Synopsis. The Commission approves and adopts the Settlement Agreement as a reasonable resolution of the issues in Aronson-Campbell’s complaint against MCIW, and dismisses Aronson-Campbell’s complaint.

I. INTRODUCTION

- 1 **Nature of the Proceeding.** This is a complaint filed by Aronson–Campbell Industrial Supply, Inc. (Aronson-Campbell) against MCI WorldCom Communications, Inc. (MCIW). The complaint alleged that MCIW violated state law and Commission rules by violating filed contract provisions and applying discriminatory rates and practices.

- 2 **Procedural History.** On February 6, 2003, Aronson-Campbell filed a formal complaint with the Commission against MCIW after an unsuccessful attempt to resolve the matter through an informal complaint. Aronson-Campbell alleged that MCIW refused to release Aronson-Campbell’s telephone numbers to allow Aronson-Campbell to switch service to a competing carrier, and that MCIW overcharged

Aronson-Campbell for telecommunications services, in violation of RCW 81.36.180 and RCW 80.36.150.

3 On March 13, 2003, MCIW filed an answer denying the allegations in the complaint and requesting that the Commission pursue the complaint as a Brief Adjudicative Proceeding pursuant to WAC 480-09-500.

4 The Commission convened a prehearing conference in this matter in Olympia, Washington, on April 3, 2003, before Administrative Law Judge (ALJ) Lawrence J. Berg. The parties informed the Commission that they would attempt to resolve the issues through settlement discussions.

5 On June 30, 2003, the parties filed a proposed settlement agreement for the Commission's approval under WAC 480-09-466 as a full resolution of all issues in this proceeding, requesting dismissal of the complaint.

6 On July 22, 2003, the Commission convened a hearing on the proposed settlement before ALJ Ann E. Rendahl in Olympia, Washington, to explore the terms and conditions of the proposed settlement agreement, and to consider whether the proposal is consistent with the public interest. Bruce Buchman, Vice-President and Chief Operations Officer of Aronson-Campbell, and Cristina Benavides, a Receivables Manager with MCIW, presented testimony concerning the terms and conditions of the proposed settlement agreement and why it is in the public interest for the Commission to approve the proposed settlement. The parties waived the entry of an initial order by the ALJ, and agreed to have the Commission enter a final order.

7 **Appearances.** David W. Wiley, attorney, Seattle, WA, represents Aronson-Campbell. Michel Singer-Nelson, attorney, Denver, CO, represents MCIW. Shannon Smith, Assistant Attorney General, Olympia, WA, represents the staff of the Washington Utilities and Transportation Commission (Commission Staff).

II. MEMORANDUM

- 8 **Settlement Agreement.** The terms of the settlement are set forth in a pleading captioned “Proposed Settlement of Complaint Case,” (the Settlement Agreement) filed by the parties on June 30, 2003. During the July 22, 2003, hearing, the parties jointly requested admission of the Settlement Agreement as Exhibit 1 in this matter. The Settlement Agreement is attached as Appendix A to this Order.
- 9 The Settlement Agreement states that MCIW has released Aronson-Campbell’s “toll free and business telephone exchanges at all three (3) locations of its offices” to Aronson-Campbell. *Ex. 1, para. 2.1.* The Settlement Agreement states that Aronson-Campbell and MCIW have resolved all billing disputes between the parties. *Id., paras. 2.2 and 2.3.* The Settlement Agreement also provides that after receiving a final billing from MCIW and tendering a final check to MCIW, Aronson-Campbell has terminated its contract with MCIW. *Id.* Mr. Buchman and Ms. Benavides, authorized to testify on behalf of their respective companies, verified that the statements made in the Settlement Agreement were true and correct. *Tr. 54, 59.*
- 10 **Discussion and Decision.** The ultimate determination to be made by the Commission in this proceeding is whether the Settlement Agreement is appropriate and consistent with the public interest. We resolve these questions by reviewing the Settlement Agreement and the record developed in this proceeding.
- 11 The terms of the Settlement Agreement and testimony of Mr. Buchman and Ms. Benavides demonstrate that Aronson-Campbell and MCIW have successfully resolved all of the issues raised in the complaint. MCIW has released to Aronson-Campbell its telephone exchanges. *Ex. 1, para. 2.1; Tr. 54-55.* Electric Lightwave, Inc. now serves Aronson-Campbell’s exchanges. *Tr. 54-55.* As a result of further audits and negotiations, the parties have resolved their billing dispute. *Ex. 1, paras. 2.2, 2.3; Tr. 54-55, 58.* MCIW has sent a final billing to Aronson-Campbell, and Aronson-

Campbell has tendered a final check to MCIW and sent a notice to MCIW terminating the contract with MCIW. *Ex. 1, paras. 2.2, 2.3; Tr. 54-55.*

12 Mr. Buchman and Ms. Benavides testified that the terms of the Settlement Agreement are in the public interest. Mr. Buchman testified that the Settlement Agreement represents a full and fair resolution of the matters raised in the complaint, and requests that, in the public interest, that the complaint be dismissed. *Tr. 54-55.* Ms. Benavides testified that the Settlement Agreement saves public resources by reducing Commission and staff time, saves private resources by reducing company personnel time spent on the dispute, and serves to reduce overhead costs of the company, allowing the company to keep rates lower for its customers. *Tr. 59-62.*

13 Based on the record developed in this proceeding, we find the issues pending in this proceeding are adequately addressed and resolved by the terms of the Settlement Agreement. Under these circumstances, we are satisfied that the Settlement Agreement is appropriate and consistent with the public interest, and should be approved and adopted as a full and final resolution of all issues pending in Docket UT-030168. The Commission determines that it is appropriate to dismiss the formal complaint filed by Aronson-Campbell.

III. FINDINGS OF FACT

14 Having discussed in detail both the oral and documentary evidence concerning all material matters inquired into, and having previously stated findings and conclusions based thereon, the following summary of the facts is now made. The portions of the proceeding detailing findings and discussion pertaining to the ultimate facts are incorporated by this reference.

15 (1) The Washington Utilities and Transportation Commission (Commission) is an agency of the State of Washington vested by statute with the authority to

regulate rates, rules, regulations, practices, and accounts of public service companies, including telecommunications companies.

- 16 (2) MCI WorldCom Communications, Inc. (MCIW) provides telecommunications service in Washington state.
- 17 (3) On February 6, 2003, Aronson Campbell filed with the Commission a formal complaint against MCIW alleging that MCIW violated state law and Commission rules by violating filed contract provisions and applying discriminatory rates and practices.
- 18 (4) On March 13, 2003, MCIW filed an answer to the complaint.
- 19 (5) On June 30, 2003, the parties filed with the Commission a Settlement Agreement stating that the parties have resolved all issues raised by the complaint.

IV. CONCLUSIONS OF LAW

20 Having discussed above in detail all matters material to this decision, and having stated general findings and conclusions, the following provides summary conclusions of law. Those portions of the preceding detailed discussion that state conclusions pertaining to the ultimate decisions of the Order are incorporated by this reference.

- 21 (1) The Washington Utilities and Transportation Commission has jurisdiction over the subject matter of and the parties to, this proceeding. *RCW 80.01.040, Chapter 80.04 RCW, Chapter 80.36 RCW.*
- 22 (2) MCI WorldCom Communications, Inc., is registered in Washington State as a competitive telecommunications company pursuant to RCW 80.36.320.

- 23 (3) The Settlement Agreement (Appendix A to this Order) fully and fairly resolves the issues pending in this proceeding, is consistent with the public interest, and should be approved. *RCW 80.01.040, WAC 480-09-466.*

V. ORDER

THE COMMISSION ORDERS That:

- 24 (1) The Washington Utilities and Transportation Commission has jurisdiction over the subject matter of and the parties to this proceeding.
- 25 (2) The Settlement Agreement (Appendix A to this Order) is approved, adopted, and made part of this Order.
- 26 (3) The formal complaint filed with the Commission by Aronson-Campbell Industrial Supply, Inc., is dismissed.

DATED at Olympia, Washington, and effective this 13th day of August, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner

NOTICE TO PARTIES: This is a final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration, filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-09-810, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-09-820(1).